



STATE OF UTAH
NATURAL RESOURCES & ENERGY
Oil, Gas & Mining

4241 State Office Building • Salt Lake City, UT 84114 • 801-533-5771

Scott M. Matheson, Governor
Temple A. Reynolds, Executive Director
Cleon B. Feight, Division Director

October 18, 1982

Mr. R.F. Dewey
Vice President, Mining
American Gilsonite Company
P.O. Box 28
Bonanza, Utah 84008

RE: American Gilsonite Mines
ACT/047/009
ACT/047/010 ✓
ACT/047/011
Uintah County, Utah

Dear Mr. Dewey:

The Division staff has completed its review of American Gilsonite's September 15, 1982 response to the Division's letter of June 14, 1982. The information submitted has adequately satisfied several more of the concerns originally developed by the State. However, six issues remain which will still require further clarification and resolution. They are listed with pertinent comments below (the order of the June 14, 1982 letter has been preserved).

1. A copy of the letter showing approval of the NPDES application should be submitted when it is obtained.
8. It appears from the descriptions and information provided that a misuse of surficial material (topsoil) is occurring in direct and knowledgeable violation of the Mined Land Reclamation Act. An on-site inspection will be necessary for the Division to make a determination in this matter. In essence, any and all areas disturbed since the Act's institution in 1975 should have had all available suitable growth media salvaged and stockpiled for future reclamation use. The fact that this material is being used for alternate purposes (e.g. berms) does not constitute adequate observance of the rules and regulations.

Of course, it will be necessary to determine the success of past achievements in reclamation using your previous methods of operation. An alternate plan for topsoil conservation may be required and could necessitate the development of specific test plots and/or soil analyses to bring the operation into compliance with Rule M-10(14). If soil analyses have been obtained they should be made available to the Division. I am sure that a better appreciation of your situation will be acquired during an on-site evaluation.

Board/Charles R. Henderson, Chairman • John L. Bell • E. Steele McIntyre • Edward T. Beck
Robert R. Norman • Margaret R. Bird • Herm Olsen

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10. American Gilsonite's plan for natural succession in revegetation has not been officially proposed as an acceptable variance to the requirements of Rule M-10(12). A decision regarding the matter will be left until after on-site observance of previous successful achievements has been made. Should the Division agree with the BLM and MMS regarding the trial five-year period allowed for natural succession, a specific variance must be requested on form MR-8.

It will be important to note, however, that the rate of seed application for the suggested BLM list must be in Pure Live Seed (PLS). Also, the Division recommends that an additional four pounds of seed be made to this rate. The seed should be distributed between the Shadscale, Western Wheatgrass and Indian Rice Grass. A commitment to this should be made by the operator.

At the time of the Division's inspection an estimate of vegetation density will be made. It will be derived from visual observations as well as background material supplied by the BLM and others. This estimate will then become the required standard from which future revegetation levels of success will be measured according to Rule M-10(12).

14. A copy of the approved landfill application should be sent to the Division after it has been obtained from the State Division of Health. If it is not obtained this should also be communicated.
16. It is apparent that, as with question #10, a determination of acceptability will depend upon a site visit. Further comments on this issue will wait until that time.
19. A detailed estimate of reclamation costs must be submitted according to the form attached. In order for the Division to incorporate all holdings of American Gilsonite into one operational package this form must include other areas of disturbance as well as the Bonanza Operations. There is no intent to duplicate bonds, however, there may be areas of concern which have not been incorporated into the Federal bond and may be picked up by the State. An additional bond amount may be required. It will also become necessary for the State to secure a joint bond-release agreement with the BLM prior to issuance of final approval for the operation.

I wish to complete this review and approval process as quickly as possible, therefore, I believe that after your consideration of the above issues an on-site meeting should be arranged to incorporate the following areas of concern into our review.

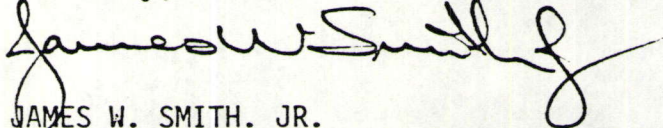
1. Ponding areas of the discharge system.
2. Old ore storage ponds.
3. Reclaimed waste rock piles referenced in item #2 of your Sept 15, 1982 letter.

4. The E-15 and E-30 outfall sites.
5. Examples of natural succession - reclamation at PW-1 and PW-2.
6. Topsoil stockpile areas.
7. Reclamation areas currently undergoing "treatment".
8. "Active" and "development" areas including observance of surface pillar bracing (e.g. between I-10 and I-11).
9. The main scrap storage yard and facilities.
10. The landfill at location E-21.
11. The dike and drainage ditch at shaft site B-50.
12. The river pump station.

It will be necessary for three or four representatives of the Division to conduct the site evaluation. Tentatively, a convenient time to spend a day on site would be either November 9th or 10th or the following week on the 16th or 17th. Please let me know if these are also convenient for your staff.

If there are any additional questions or you wish further discussion regarding this review, please call Tom Tetting of my staff.

Sincerely,



JAMES W. SMITH, JR.
COORDINATOR OF
MINED LAND DEVELOPMENT

Enclosures

JWS/TNT/mn

cc: Jackson Moffitt, MMS
Lloyd Ferguson, BLM-Vernal
Leroy Fyodk, Chevron Phosphate Operations, Vernal